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January 7, 2011

By Electronic Case Filing

The Honorable John Gleeson
United States District Judge
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

Re: *Finkel v. Lite Tron Ltd, Lite Tron Electrical Corp. and Ferdinand Iannacone*;
09 Civ. 1253 (JG) (VVP)

Dear Judge Gleeson:

This firm is counsel to plaintiff Dr. Gerald Finkel, as Chairman of the Joint Board of the Electrical Industry (the "Joint Board") and we jointly submit this status letter with counsel for defendants Lite Tron Ltd ("Ltd"), Lite Tron Electrical Corp. ("Electrical"), and Ferdinand Iannacone ("Iannacone," collectively "Defendants"), pursuant to Your Honor's December 29, 2010 Order permitting the parties to provide a status report as to their settlement efforts by January 7, 2011.

The parties have engaged in substantive settlement discussions since their joint December 23, 2010 letter filed with the Court (Docket No. 60), and have reached agreement on substantially all the settlement terms. In short, the settlement will call for an acceptance by Defendants, including Iannacone, of joint and several liability for all amounts due (without admission of wrongdoing), which include a previously audited deficiency of Electrical's books and records and amounts to be determined pursuant to audits of Ltd and Electrical's books and records scheduled to take place January 19, 2011. Defendants will remit the settlement amounts through a series of payments: \$300,000 due January 31, 2011, \$25,000 per month thereafter through November 30, 2011, and a final lump sum payment of the balance due on December 31,

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2011. Iannacone has stated he will partially finance the payments through sale of real property in his possession, though he must obtain the Joint Board's consent before any such sale, which will not be unreasonably withheld provided the proposed sale is at or near fair market value. The net proceeds of any such sale will be remitted to the Joint Board with credit applied to any future settlement payments due by Defendants. Defendants will further execute affidavits for judgment by confession to be held in escrow by the Joint Board and filed only if Defendants default on their settlement obligations. Once full payment of all amounts is received, the Joint Board will provide Defendants with a general release as to all relevant periods, excluding for any potential withdrawal liability assessment.

Accordingly, the parties respectfully request a conference be scheduled before Your Honor so that all settlement terms may be stated and agreed to on the record, and then so ordered by the Court.

The parties thank Your Honor for your consideration of this request.

Respectfully submitted,

/s/ Michael S. Adler
Michael S. Adler

cc: Joseph DeGiuseppe, Jr., Esq. (via ECF)